

Technical Review Reason Codes

M01 BORROWER ELIGIBILITY/QUALIFICATION

- M01A Invalid Social Security Number or Tax Identification Number (4155.1, 3-1C)
- M01B Legal residency for non-US citizens not adequately documented (4155.1, 2-2B)
- M01C Borrower not owner-occupant, property not principal residence (4155.1, 1-2)
- M01D Qualifying ratios exceeded without acceptable compensating factors (4155.1, 2-12, 2-13 & ML 05-16)
- M01E Borrower deleted on streamline loan without credit qualifying (4155.1, 1-12c)
- M01F Other borrower eligibility/qualification deficiencies

M02 BORROWER CREDIT

- M02A Major derogatory credit, recent material inquiries not satisfactorily explained (4155.1, 2-3)
- M02B CAIVRS, LDP/GSA authorization not properly documented (4155.1, 2-5)
- M02C Extenuating circumstances for bankruptcy, foreclosure not adequately documented (4155.1, 2-3d, 2-3E)
- M02D Credit/alternative credit not obtained for all borrowers (4155.1, 2-4)
- M02E Other credit deficiencies

M03 BORROWER LIABILITIES

M03A Obligations of all borrowers, non-purchasing spouses omitted, inaccurate, not supported (4155.1, 2-2A, 2-2D, 2-11)

M03B Other liabilities deficiencies

M04 BORROWER ASSETS

M04A Insufficient total assets for closing (4155.1, 2-10)

M04B Unacceptable, unsupported source of funds for assets (4155.1, 2-10)

M04C Other asset deficiencies

M05 BORROWER INCOME

M05A Stability of income for all borrowers insufficient or not supported (4155.1, 2-6)

M05B Effective income for all borrowers insufficient or not supported (4155.1, 2-7)

M05C Other income deficiencies

M06 MAXIMUM MORTGAGE AND CASH INVESTMENT

M06A Borrower did not make required minimum cash investment (4155.1, 1-7)

M06B Mortgage amount incorrect, loan-to-value limit exceeded, statutory limit exceeded (4155.1, 1-6, 1-7)

M06C Other mortgage amount deficiencies

M07 PROGRAM/DOCUMENTATION REQUIREMENTS

- M07A Form HUD-92564-CN not properly signed, dated (ML 04-04 & 05-01)
- M07B Documentation deficiencies, processing errors related to Refinance transactions (4155.1, 1-10 & 1-11 and ML 05-43)
- M07C Documentation deficiencies, processing errors related to Construction to Permanent transactions (4155.1, 2-17)
- M07D Documentation deficiencies, processing errors related to ARMs (4155.1, 2-15; ML 04-10 & 05-14)
- M07E Documentation deficiencies, processing errors related to Section 203k transactions (4240.4; ML 00-25)
- M07F Documentation deficiencies, processing errors related to HECM transactions (4235.1)
- M07G Documentation deficiencies, processing errors related to Energy Efficient Mortgage Refinance transactions (4155.1, 2-20)
- M07H Documentation deficiencies, processing errors related to Hawaiian Homelands transactions (69 FR 33524; 24 CFR 203.43i; ML 04-43)
- M07I Documentation deficiencies, processing errors related to building-on-own-land transactions (4155.1, 1-8D; ML 04-28)
- M07J Uniform Residential Loan Application not properly completed (4155.1, 3-1; 4000.4, 3-15; ML 05-39, 03-20 & ML 92-7)
- M07K Form HUD-92900-A not properly completed (4155.1, 3-1; 4000.4, 3-15; 4000.2 REV-2, 3-8; ML 92-7)
- M07L Documentation deficiencies, processing errors related to Streamlined (K) transactions (ML 05-50 & 05-19)

M07M Other documentation deficiencies or processing errors.

M08 HUD-1/CLOSING

M08A Unallowable, excessive costs/credits to borrower (ML 06-04)

M08B Lender/seller credits not itemized (4155.1, 1-9; ML 97-26)

M08C Excessive cash back to borrower (4155.1, 1-12)

M08D Other deficiencies on HUD-1 or HUD-1 Addendum

M09 AUTOMATED UNDERWRITING SYSTEMS/TOTAL

M09A Data Integrity deficiencies. File documentation does not support Accept/Approve Decision (ML 04-01, 04-44 & 04-47)

M09B Documentation does not support credit waivers (ML 04-01, 04-28 & 05-15)

M09C Program requirements not addressed (ML 04-01, 04-44 & 04-47)

M09D Other AUS/TOTAL deficiencies.

M10 LENDER INSURANCE PROGRAM LOANS

M10A Data integrity deficiencies. Insured loan data entered in FHA Connection is not supported by file documents. (ML 05-36)

V20 PROPERTY ELIGIBILITY/QUALIFICATION

- V20A Allowable commercial space in mixed-use property exceeded (4000.2, 2-6H; 4905.1, 2-6; 4150.2, Appendix B, B-1)
- V20B Illegal Zoning (4150.2, 2-1)
- V20C Existing construction in Special Flood Hazard Area (A or V Zone) without evidence of flood insurance (4150.2, 2-2)
- V20D New construction in Special Flood Hazard Area (A or V Zone) without LOMA, LOMR, or an elevation certificate with evidence of flood (4150.2, 2-2)
- V20E Sales contract with FHA borrower dated less than 91 days from acquisition date by seller (4000.2, 1-7; ML 03-07)
- V20F Property does not meet Minimum Property Requirements (4000.2, 2-6; 4905.1; 4910.1)
- V20G Appraisal expired (4000.2, 2-9; 4000.4, 3-4)
- V20H Major repair items not cited, addressed (4000.2, 2-11; ML 2005-48, Revised Appendix D)
- V20I Value Not Supported (4000.2, 2-3, 2-14)
- V20J Other property eligibility/qualification deficiencies

V21 UNIFORM RESIDENTIAL APPRAISAL REPORT

- V21A Deficiencies related to Neighborhood, Site and/or Improvements section of the appraisal report (4150.2, 2-1, 2-2; ML 2005-48, Revised Appendix D)
- V21B Deficiencies related to Cost Approach section of the appraisal report (4150.2, 4-7; ML 2005-48, Revised Appendix D)

- V21C Deficiencies related to Sales Comparison Approach section of the appraisal report (4150.2, 4-7; ML 2005-48, Revised Appendix D)
- V21D Deficiencies related to Income Approach section of the appraisal report (4150.2, 4-7; ML 2005-48, Revised Appendix D)
- V21E Other appraisal report deficiencies (ML 2005-48, Revised Appendix D)

V22 FLIPPING RULE

- V22A Owner of record not documented (4000.2, 1-7; ML 03-07)
- V22B Requirements for properties sold within 91-180 days not documented (4000.2, 1-7; ML 03-07)
- V22C Other Flipping deficiencies

V23 STATEMENT OF APPRAISED VALUE

- V23A Form HUD-92800.5B, Conditional Commitment, missing, incomplete and/or incorrect (4000.2, 2-11; 4000.4, 3-3G)

V24 REPAIRS/COMPLIANCE INSPECTIONS

- V24A Repairs not acceptably addressed (4000.2, 2-11; 4000.4, 3-8; ML 2005-48, Revised Appendix D)
- V24B When required, the Wood Destroying Insect Infestation Inspection Report missing, incomplete; inadequate documentation that infestation, infection was acceptably treated (ML 95-33)
- V24C REMOVED
- V24D When required, Form HUD-92051, Compliance inspection Report, certifications, and/or local government approvals missing, incomplete and/or incorrect (4000.2, 2-11; 4000.4, 3-8; ML 01-27)

V24E Form HUD-92300, Mortgagee Assurance of Completion, missing, incomplete, incorrect (4000.2, 2-11C)

V24F Other repair/compliance inspection deficiencies.

V25 MANUFACTURED HOMES

V25A Manufactured home does not meet eligibility guidelines (4000.2, 2-6B)

V26 CONDOMINIUMS

V26A Condo project not approved, spot condo documentation missing, incomplete (4150.2, 9-1; ML 96-41)

V26B 51% owner occupancy requirement not met (ML 2005-48, Revised Appendix D; ML 96-41)

V26C Other condominium deficiencies

V27 NEW CONSTRUCTION

V27A Newly constructed home does not meet requirements (4145.1, ML 01-27)